

An Overview of Brown County's 2007 Annual Trending March, 2009

The following steps were taken to conduct the 2007 annual trending in Brown County:

Step 1: Re-Delineation/Re-assessment of Neighborhoods

After review of all neighborhoods, it was determined that the need to delineate selected parcels from their township base neighborhood into newly a newly created neighborhood based upon the location and age of these properties. Additionally, selected neighborhoods were re-assessed in their entirety as result of new sales information. Prior years had no sales activity in these neighborhoods. All parcels were reviewed and analyzed to ensure they were in their appropriate neighborhoods.

Step 2: Calculation of New Land Values

New land values were calculated for 2007. For residential property, the market adjustment factor was the primary means of updating residential property values, but in certain areas, homesite values were changed along with excess residential rates. For commercial and industrial properties, land values generally stayed relatively consistent, a small increase was implemented in the downtown Nashville area. Commercial properties that are priced on an acreage basis had their base rates modified to account for the county's new CAMA system, which does not price commercial land (acreage basis)

Step 3: Calculation of New Residential Factors & Residential Studies

Per 50 IAC 14, a preliminary ratio study was conducted for vacant and improved residential at the township level. This study dictated which property classes required further analysis, stratification, reassessment or calculation of a new neighborhood factor. This resulted in the calculation of new neighborhood factors. The years of 2005 and 2006 was the predominate time frame used to calculate new market adjustment factors. Within selected neighborhoods, county wide, the need to utilize 2007 sales was necessary. A total of 32 sales from the 2007 time period were utilized (Hamblen = 8, Jackson = 8, VanBuren = 2, Washington = 13). These 32 sales were not time adjusted as the housing market is relatively flat within the county.

Step 4: Updated Commercial & Industrial Improvement Values

New commercial and industrial cost table updates were the starting point for updating commercial and industrial improvement values. The county also changed the year of depreciation from 2005 to 2006. The Nexus Group Construction Cost Index (NCCIsm) was used to update these cost tables. These detailed construction cost models have been constructed by Nexus Group and applied uniformly by property class based on specific usage, wall type and other characteristics. Due to the lack of sales county wide, all townships were grouped together. Additionally, the county utilized sales outside of the 2005/2006 time period by using five (5) sales from the 2004 time frame and six (6) sales from the 2007 time frame. These eleven (11) sales were not time adjusted as commercial values have remained relatively flat over the last few years in Brown County

Step 5: Appeal Data

In addition to updating cost tables, utilizing current sales information, adjusting land values, information obtained through the 2006 appeals process was also used to help establish values within the county.

Step 6: Property Class Code Correction

The entire county dataset was reviewed for proper class code designation. Corrections were made as warranted.